

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 36 - HB 50

February 25, 2011

SUMMARY OF BILL: Increases, from \$40 to \$50, the fine for violation of the open container law when the driver has a blood alcohol concentration greater than 0.01 percent. Extends the law to passengers in the vehicle. Passengers in vehicles for hire or the living quarters of a house coach or trailer are exempted from the open container law.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue – \$28,700
Increase State Expenditures – Not Significant**

**Increase Local Revenue – \$1,500
Increase Local Expenditures – Not Significant**

Other Fiscal Impact – Pursuant to 23 CFR. Part 1270, federal funding in an amount equal to three percent of funds apportioned to the state in that fiscal year is transferred from certain highway related programs, National Highway System, Surface Transportation System, and Interstate Maintenance, to the section 402 Programs (alcohol counter-measures, occupant protection, police traffic services, emergency medical services, traffic records, motorcycle safety, pedestrian and bicycle safety, non-construction aspects of roadway safety, speed control, etc.). This transfer will stop when the state is in compliance with the requirements of federal Title 23 CFR Part 1270. In the absence of this transfer, an average of an additional \$1,500,000 in federal funding will be available annually to TDOT from the Federal Highway Administration than is currently available from the National Highway Traffic Safety Administration.

Assumptions:

- According to the Department of Safety (DOS), there are approximately 650 violations of the open container law committed by drivers each year.
- Twenty-five percent will not pay fines due to indigence.
- The total increase in revenue from violations will be \$4,875 (\$10 fine increase x 650 violations x 75%).
- DOS estimates the number of violations by passengers to be 675 per year, resulting in a recurring increase in revenue of \$25,313 (675 x \$50 x 75%).

- The total increase in revenue will be approximately \$30,188 (\$25,313 + \$4,875). Local governments will receive a five percent court clerk fee totaling \$1,509 (\$30,188 x 5%). The remaining 95 percent will increase state revenue by \$28,679 (\$30,188 x 95%).
- Any cost can be accommodated within existing state and local government resources without additional resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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